

MAIDSTONE BOROUGH COUNCIL

**RECORD OF DECISION OF THE COBTREE MANOR ESTATE CHARITY
COMMITTEE**

Decision Made: 24 January 2024

Cobtree Manor Estate Financial Position Report

Issue for Decision

To update the Committee on the current financial position and any other relevant matters that may impact the financial position of the Trust.

Decision Made

1. That the current financial position be noted.
2. That the proposed budgets for 2024/25 be agreed, subject to an officer review of the recharge rates in Appendix 3 to the report.

Reasons for Decision

INTRODUCTION AND BACKGROUND

The Committee has received its regular update report on the financial position of the Estate enabling it to see how the various areas of activity are performing. As these are charitable funds there is a need for robust management and monitoring of the budget.

CURRENT FINANCIAL POSITION

The table below summarises the financial position of the Estate as at 31 December 2023. Appendix 1 to the report provides a more detailed breakdown of the figures.

Overall Summary Position:

	Revised Budget for Year 2023/24	Profiled Revised Budget as at 31st December 2023	Actuals as at 31st December 2023	Variance: Underspend (+) Overspend (-)
Golf Course				
Expenditure	£48,670	£36,503	£37,185	-£683
Income	-£100,240	-£75,180	-£88,777	£13,597
Net Expenditure (+)/Income (-)	-£51,570	-£38,678	-£51,592	£12,915
Manor Park				
Expenditure	£263,380	£193,253	£176,901	£16,352
Income	-£181,080	-£117,980	-£111,321	-£6,659
Net Expenditure (+)/Income (-)	£82,300	£75,273	£65,580	£9,693
Kent Life				
Expenditure	£19,690	£14,768	£11,018	£3,750
Income	-£73,130	-£36,565	-£36,567	£2
Net Expenditure (+)/Income (-)	-£53,440	-£21,798	-£25,549	£3,752
Residential Properties				
Expenditure	£17,320	£12,990	£10,264	£2,726
Income	-£30,000	-£22,500	-£21,543	-£957
Net Expenditure (+)/Income (-)	-£12,680	-£9,510	-£11,279	£1,769
Operational Total	-£35,390	£5,288	-£22,840	£28,128
Investment Income	-£40,000	-£30,000	-£24,945	-£5,055
Interest Paid	£0	£0	£0	£0
Car Park Repayment	£69,650	£0	£0	£0
Total for the Year	-£5,740	-£24,712	-£47,785	£23,073
Net Expenditure (+)/Income (-)				

The position as at 31 December 2023 shows a surplus of £23,073 for the year to date. There are no significant issues to report, but the following points should be noted:

- The budget for 2023/24 remains as a forecast surplus of £5,740, but there have been some transfers made within and between the operational areas to reflect actual income and expenditure to date this year.
- There has been spend of £14,677 for consultancy work relating to the procurement of the new golf course contract.
- The new golf course contract is now in operation and the income figures now reflect that.
- Gas and electricity costs at for the café are to be largely recharged to the contractor, but the Estate will retain the charges for the toilets and the staff area. The exercise to calculate the recharges will be done shortly and invoices raised. This will largely eliminate this overspend.
- No invoices have been raised for toilet cleaning to date. Standards and the arrangements for cleaning are under review and invoices will be raised and paid when standards are more acceptable. This will then largely eliminate the underspend on this budget.
- As outlined in the Estate Update report elsewhere on this agenda, visitor numbers are down this year compared to 2022, and this is reflected in the shortfall in car parking income. This budget has been reviewed and has been reduced slightly, as it was previously increased when visitor numbers were higher during the pandemic.

BUDGETS 2024/25

The proposed budgets for 2024/25 are shown at Appendix 2 to the report. To ensure some consistency the general approach to setting the budgets was as follows:

- Running costs have been increased by inflation (5%) where applicable.
- Contract income has been increased in line with the agreed schedules.
- Insurance costs have been updated in line with the estimated premium for 2024/25.
- The recharges from Maidstone Borough Council have been updated following a review of the services provided and a revised schedule is shown at Appendix 3 to the report.

For 2024/25 a small deficit of £6,850 is projected, compared to the surplus of £5,740 that is forecast for the current year. This is in line with previous cashflow forecasts and reflects the reduction in golf course income for the first full year of operation for the new contractor.

Now the new golf course and café contracts are in place an updated cashflow forecast will be brought to the next meeting of the committee.

During the review of budgets for 2024/25 it was identified that a number of budgets were no longer required, so these have been removed and this has partially offset the anticipated reduction in golf course income.

Alternatives considered and why rejected

The Committee could have asked for adjustments to be made to the draft budgets, but this was not considered appropriate as the estimates provided are based on the most up to date projections for the coming year and the budgets must be approved and formally adopted so that they are in place for 1 April 2024.

Background Papers

None.

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.



Signed: _____
Leader of the Council – Councillor David Burton

Full details of the report for the decision taken above can be found at the following area of the [website](#)

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm on 1 February 2024**